

140000728

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-13-0917-4026
ELECTIONS: Lovers Gap 123-CBM Unit 79-W
(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on November 6, 2013, and recorded as Instrument No. 1300022990 in the Office of the Clerk of the Circuit Court for Buchanan County, Virginia on November 26, 2013 (herein "Board Order") and (2) to complete the record regarding elections. The Board Order established a drilling unit and pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 *et seq.*, Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Range Resources-Pine Mountain, Inc., (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

- (b) The Designated Operator filed its affidavit of mailing dated January 30, 2014, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated March 20, 2014, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.7C (herein "Affidavit of Elections" annexed hereto), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election(s) made, if any; and (iii) whether, by reason of failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;
 - (d) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank and Trust Company, Trust Division, 38 East Valley Street, Bristol, Virginia 24201; Tel: (276) 466-9222; Attn: Debbie Davis, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated July 18, 2006. The Affidavit of Elections indicates that the escrow of funds is **not** required with regard to Well No. Lovers Gap 123 CBM Unit 79-W.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at Paragraph 2 above, to the extent escrow was required and to the extent it pertained to the elections and interests of the Respondents who have entered into a royalty split agreement and no longer require escrow of any funds, the Applicant is hereby directed to provide the Board with reconciliation of its and the Escrow Agent's records so that any funds affected by this Order may be disbursed in an appropriate manner.
 4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this

140000728

Supplemental Order stating that a true and correct copy of this Supplemental Order was mailed within seven (7) days from the date of receipt of this Supplemental Order to each Respondent whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED**.
6. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

140000728

DONE AND EXECUTED this 28 day of March, 2014 by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert

Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 28th day of March 2014, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis, Notary Public
174394

My Commission expires: September 30, 2017

DONE AND PERFORMED this 30 day of March, 2014 by Order of the Virginia Gas and Oil Board.

Rick Cooper

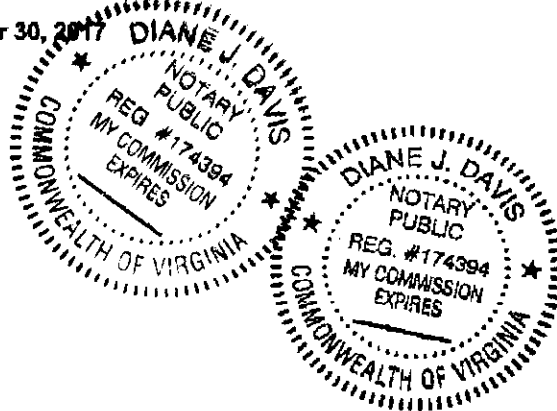
Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 30th day of March 2014, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is the Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis, Notary Public
174394

My Commission expires: September 30, 2017



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Range Resources-Pine Mountain, Inc, for the Forced Pooling of Interests in Lovers Gap 123 CBM Unit 79-W, Docket No. VGOB-13-0917-4026 in the Rock Lick District, Prater Quadrangle, Buchanan County, Virginia.

AFFIDAVIT OF MCKINNIS & SCOTT, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

Timothy E. Scott (herein Affiant), being duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of MCKINNIS & SCOTT, the Agent for the Designated Operator, with offices located at 135 W. Main Street, Suite 200, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on November 6, 2013, by the Virginia Gas and Oil Board regarding the captioned conventional gas unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed and recorded copy of the Order referred to at Paragraph 2, above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent, if known and locatable, named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender written notice of their election of the option selected under Paragraph 9 of the Order to the Designated Operator within thirty (30) days from the date of receipt of a copy of the recorded Order;
5. That the Designated Operator, by and through its agent, McKinnis & Scott, Attorneys-at-Law, has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order;

that said procedures were followed to identify the elections, if any, made with regard to Subject Drilling Unit; that the following persons or entities delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day elections period:

None

6. That the interest and/or claims of the following persons or entities (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, are in conflict and/or unknown or unlocatable:

None

7. That after the pooling hearing held in the captioned matter, the following persons or entities have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims:

None

8. That the Designated Operator with regard to persons previously requiring the services of the Escrow Agent have now reached an agreement regarding their interests or claims that allows Applicant/Designated Operator to make royalty distribution without the need to escrow funds which would otherwise be in conflict:

None

9. That the Respondents identified in Exhibit B-3 hereto have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective oil and gas rights, interests and claims shall be deemed to have leased to Applicant/Designated Operator pursuant to and in accordance with Paragraph 10 of the Board Order dated November 6, 2013:

See Exhibit B-3

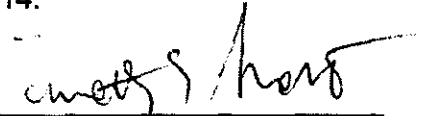
10. The Designated Operator requests that the following persons be dismissed as Respondents:

None

140000728

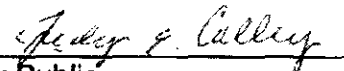
That pursuant to the provisions of 4VAC 25-160.70.A.10 and .C and VAC 25-160-80, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent is not required in this matter pursuant to the terms of §§ 45.1-361.21.D and 45.1-361.22.A.3 and .4.

Dated at Kingsport, Tennessee, this 20th day of March, 2014.



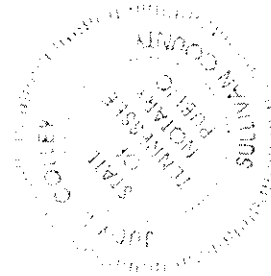
Timothy E. Scott, Affiant

Taken, subscribed and sworn to before me by Timothy E. Scott, the Agent for Range Resources-Pine Mountain, Inc., a corporation, on behalf of the corporation, this 20th day of March, 2014.



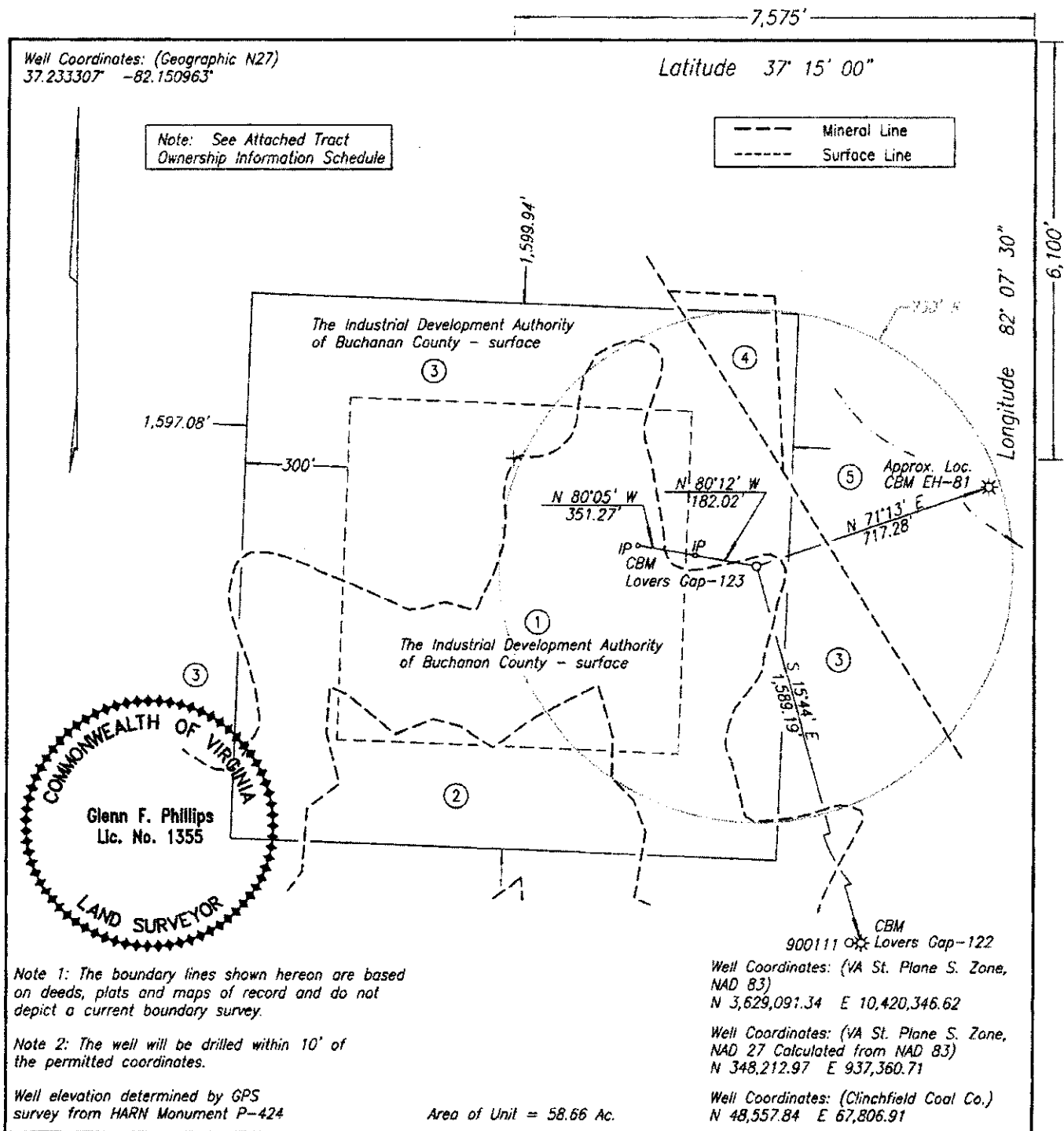
Notary Public

My commission expires: 8/22/17



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WELL LOCATION PLAT NORA GRID W-79

COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER Lovers Gap-123
TRACT NO. Big Sandy Fuel Corp. ELEVATION 2,092.18' QUADRANGLE Prater
COUNTY Buchanan DISTRICT Rock Lick SCALE 1" = 400' DATE 5-28-2013
This Plat is a new plat x; an updated plat ; or a final location plat
+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

LOVERS GAP-123 PLAT
TRACT OWNERSHIP INFORMATION SCHEDULE
5/28/2013

- 1 . Big Sandy Fuel Corporation
12,627.34 Acres
ACIN LLC - coal (except Blair, Eagle and Splashdam seams)
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal (except Blair, Eagle and Splashdam seams)
Dickenson - Russell Coal Company LLC - coal lessee
Penn Virginia Operating Company, LLC - coal (Splashdam only)
Wellmore Coal Company - coal lessee
N/F Wellmore - coal (Blair and Eagle seams only)
Range Resources - Pine Mountain, Inc. - oil, gas & CBM
Gas 24.86 ac. 42.38%

- 2 . Big Sandy Fuel Corporation
12,627.34 Acres
ACIN LLC - coal (except Blair, Eagle, Clintwood and Splashdam seams)
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal (except Blair, Eagle, Clintwood and Splashdam seams)
Dickenson - Russell Coal Company LLC - coal lessee
Penn Virginia Operating Company, LLC - coal (Clintwood and Splashdam seams only)
Wellmore Coal Company - coal lessee
N/F Wellmore - coal (Blair and Eagle seams only)
Range Resources - Pine Mountain, Inc. - oil, gas & CBM
Gas 7.69 ac. 13.11%

- 3 . Big Sandy Fuel Corporation
12,627.34 Acres
ACIN LLC - coal (except Splashdam seam)
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal (except Splashdam seam)
Dickenson - Russell Coal Company LLC - coal lessee
Penn Virginia Operating Company, LLC - coal (Splashdam seam only)
Wellmore Coal Company - coal lessee
Range Resources - Pine Mountain, Inc. - oil, gas & CBM
Gas 24.11 ac. 41.10%

- 4 . Pittston-Belibe Exchange
P/O 424 Acres
ACIN LLC - coal (Hagy seam only)
Alpha Land & Reserves LLC - coal lessee
WBRD LLC - coal (Hagy seam only)
Dickenson - Russell Coal Company LLC - coal lessee
Bull Creek Coal Company - coal (remaining seams), oil, gas & CBM
Wellmore Coal Company - coal lessee
Jewell Smokeless Coal Corporation - coal lessee (Kennedy seam only)
CNX Gas Company, LLC - CBM lessee
Range Resources - Pine Mountain, Inc. - oil & gas lessee
Gas 1.49 ac. 2.54%

- 5 . P/O 424 Acres
Bull Creek Coal Company - coal, oil, gas & CBM
Wellmore Coal Company - coal lessee
Jewell Smokeless Coal Corporation - coal lessee (Kennedy seam only)
CNX Gas Company, LLC - CBM lessee
Range Resources - Pine Mountain, Inc. - oil & gas lessee
Gas 0.51 ac. 0.87%

140000728

Exhibit "B"
Lovers Gap 123

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
CBM Estate Only				
1	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	42.38000000	24.86000000
2	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	13.11000000	7.69000000
3	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	41.10000000	24.11000000
4	*Bull Creek Coal Company, LLLP Attn: Charles Hart Box 187 Tazwell, VA 24651	Leased		
	*CNX Gas Company, LLC Attn: Anita Duty 2481 John Nash Blvd. Bluefield, WV 24701	CBM Lessee Unleased by Range	2.54000000	1.49000000
5	*Bull Creek Coal Company, LLLP Attn: Charles Hart Box 187 Tazwell, VA 24651	Leased		
	*CNX Gas Company, LLC Attn: Anita Duty 2481 John Nash Blvd. Bluefield, WV 24701	CBM Lessee Unleased by Range	0.87000000	0.51000000
TOTAL CBM ESTATE			100.00000000	58.66000000
Percentage of Unit Leased		96.59000000		
Percentage of Unit Unleased		3.41000000		
Acreage in Unit Leased		56.66000000		
Acreage in Unit Unleased		2.00000000		

140000728

Exhibit "B"
Lovers Gap 123

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
Gas Estate Only				
1	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	42.38000000	24.86000000
2	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	13.11000000	7.69000000
3	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	41.10000000	24.11000000
4	*Bull Creek Coal Company, LLLP Attn: Charles Hart Box 187 Tazwell, VA 24651	Leased	2.54000000	1.49000000
	*Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Gas Lessee		
5	*Bull Creek Coal Company, LLLP Attn: Charles Hart Box 187 Tazwell, VA 24651	Leased	0.87000000	0.51000000
	*Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Gas Lessee		
TOTAL GAS ESTATE			100.00000000	58.66000000
Percentage of Unit Leased		100.00000000		
Percentage of Unit Unleased		0.00000000		
Acreage in Unit Leased		58.66000000		
Acreage in Unit Unleased		0.00000000		

Exhibit "B-3"
Lovers Gap 123

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
CBM Estate Only				
4	*Bull Creek Coal Company, LLLP Attn: Charles Hart Box 187 Tazwell, VA 24651	Leased		
	*CNX Gas Company, LLC Attn: Anita Duty 2481 John Nash Blvd. Bluefield, WV 24701	CBM Lessee Unleased by Range	2.54000000	1.49000000
5	*Bull Creek Coal Company, LLLP Attn: Charles Hart Box 187 Tazwell, VA 24651	Leased		
	*CNX Gas Company, LLC Attn: Anita Duty 2481 John Nash Blvd. Bluefield, WV 24701	CBM Lessee Unleased by Range	0.87000000	0.51000000
TOTAL GAS ESTATE			3.41000000	2.00000000

INSTRUMENT #140000728
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 2, 2014 AT 01:17PM

BEVERLY S. TILLER, CLERK
RECORDED BY: MXB